

# **State of Alaska FY2008 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Anchorage Airport Administration Component Budget Summary**

## Component: Anchorage Airport Administration

### Contribution to Department's Mission

Provide the overall airport management and leadership necessary to assure that all airport functions are conducted in accordance with appropriate laws, regulations, policies, and procedures and in a safe, efficient and cost-effective manner.

### Core Services

- ADMINISTRATION: Supervise all Ted Stevens Anchorage International Airport (ANC) operations/activities, develop policies to assure compliance with all laws and regulations, provide budget and management reporting.
- MARKETING: Administer marketing program.
- COMMUNITY RELATIONS: Maintain a positive public communications program.
- PLANNING: Program capital improvement projects (intergovernmental coordination, policy analysis).
- ENGINEERING: Provide engineering oversight/coordination of ANC construction activities.
- ENVIRONMENTAL: Develop and implement environmental policy and plans to meet laws and regulations, administer noise program.
- BUSINESS DEVELOPMENT: Develop and facilitate cargo and passenger facility expansions, terminal development, strategic business planning, manage the Master Plan, and participate in Operating Agreement negotiations.
- LEASING: Manage ANC real estate leases, terminal space leases, and other 3<sup>rd</sup> party agreements.
- INFORMATION SYSTEMS DEVELOPMENT: Provide information management capabilities to administrative and operational functions at the airport. Provide relevant information to the traveling public. Support operational systems.

### FY2008 Resources Allocated to Achieve Results

**FY2008 Component Budget: \$8,736,300**

**Personnel:**

Full time	52
Part time	0
<b>Total</b>	<b>52</b>

### Key Component Challenges

Impacting all levels of airport management, staff and expenses is the continuing federal and state updates/changes to airport security requirements and guidelines. The administrative changes associated with responding to nationwide political and economic concerns will occupy significant amounts of time, energy and resources throughout each budget year.

Title 17, Chapter 42 is undergoing revisions that will result in changes to the leasing application process, agreement language, and various airport forms.

Meeting the growing needs and requirements for the airport's information systems. Efficiencies and functionality of systems are enhanced by systems automation, but the requirements for infrastructure are sometimes overlooked. We are challenged to provide secure and manageable network services in an ever-growing technology-dependent environment, with the challenge of maintaining current staffing and remain within current funding levels.

The environmental section will address de-icing and storm water impacts on Lakes Hood and Spenard as water quality oversight by state and federal agencies becomes more stringent. The section will also address how the addition of

glycols and associated cleanup levels by the Department of Environmental Conservation to its contaminated sites regulations will affect the airport and its tenants.

## Significant Changes in Results to be Delivered in FY2008

No significant changes are anticipated.

## Major Component Accomplishments in 2006

Installed wireless internet service in the terminals that is available free to the public.

Provided sound insulation through acoustical treatments to approximately 87 residential units (70 homes and 17 condominiums/apartments) in the airport's highest noise contours.

Closed on a \$65 million dollar bond agreement and all associated documents (land lease) for the new Consolidated Rental Car Garage building. Construction began requiring the move of all rental cars to a temporary on-airport location.

Signed a land lease for development of 9 large (747) aircraft hardstands with AGLAD, Inc.

Signed a land lease for development of two hangars in the South Airpark with Meridian Investments, Inc. and construction began.

Opened two new stores in the C Concourse: a relaxation center and a 1,200 square foot Brookstone store.

Signed a land lease with Chugach Electric Association for development of a site in North Airpark to operate a multi-million dollar utility substation.

Completed the General Aviation Master Plan.

Completed schematic design for the South Terminal Seismic and Security Retrofit project.

Completed significant airfield improvement projects including new Taxiway Zulu, reconstruction of major portions of Taxiway Echo, most of Taxiway Uniform reconstruction, and most of three new remote refueling aprons for A380 Aircraft.

Cargo development expansion: Provided assistance to the management and properties staff of FedEx, NW and UPS to identify and evaluate their alternatives for optimal expansion to meet growing cargo activity from Asia.

## Statutory and Regulatory Authority

FAR Part 108, 612  
AS 18 Health/Safety  
AS 37.15.430

### Contact Information

**Contact:** Morton V. Plumb Jr., Director  
**Phone:** (907) 266-2529  
**Fax:** (907) 243-0663  
**E-mail:** Morton\_Plumb@dot.state.ak.us

### Anchorage Airport Administration Component Financial Summary

*All dollars shown in thousands*

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	3,766.4	4,619.3	5,252.2
72000 Travel	54.3	33.3	33.3
73000 Services	2,198.7	3,140.7	3,174.5
74000 Commodities	326.9	217.8	217.8
75000 Capital Outlay	493.9	58.5	58.5
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>6,840.2</b>	<b>8,069.6</b>	<b>8,736.3</b>
<b>Funding Sources:</b>			
1027 International Airport Revenue Fund	6,407.9	7,596.0	8,227.6
1061 Capital Improvement Project Receipts	432.3	473.6	508.7
<b>Funding Totals</b>	<b>6,840.2</b>	<b>8,069.6</b>	<b>8,736.3</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Unrestricted Revenues</b>				
Unrestricted Fund	68515	95,682.7	102,844.0	110,013.1
<b>Unrestricted Total</b>		<b>95,682.7</b>	<b>102,844.0</b>	<b>110,013.1</b>
<b>Restricted Revenues</b>				
Capital Improvement Project Receipts	51200	432.3	473.6	508.7
<b>Restricted Total</b>		<b>432.3</b>	<b>473.6</b>	<b>508.7</b>
<b>Total Estimated Revenues</b>		<b>96,115.0</b>	<b>103,317.6</b>	<b>110,521.8</b>

**Summary of Component Budget Changes  
From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>8,069.6</b>	<b>8,069.6</b>
<b>Adjustments which will continue current level of service:</b>				
-Remove one-time funding for increased bandwidth, on-line backup system replacement, incident monitoring for info systems	0.0	0.0	-312.0	-312.0
-FY 08 Health Insurance Increases for Exempt Employees	0.0	0.0	0.9	0.9
<b>Proposed budget increases:</b>				
-Risk Management property premium increase	0.0	0.0	29.5	29.5
-Risk Management airport liability premium increase	0.0	0.0	254.3	254.3
-Restore funding for recurring information system costs	0.0	0.0	62.0	62.0
-FY 08 Retirement Systems Rate Increases	0.0	0.0	632.0	632.0
<b>FY2008 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>8,736.3</b>	<b>8,736.3</b>

### Anchorage Airport Administration Personal Services Information

Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	52	52	Annual Salaries	3,076,928
Part-time	0	0	Premium Pay	126,060
Nonpermanent	0	0	Annual Benefits	2,425,157
			<i>Less 6.68% Vacancy Factor</i>	<i>(375,945)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>52</b>	<b>52</b>	<b>Total Personal Services</b>	<b>5,252,200</b>

### Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech III	1	0	0	0	1
Administrative Assistant	2	0	0	0	2
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	6	0	0	0	6
Administrative Manager IV	1	0	0	0	1
Airport Leasing Program Mgr	1	0	0	0	1
Airport Leasing Specialist I	3	0	0	0	3
Airport Leasing Specialist II	2	0	0	0	2
Airport Leasing Specialist III	2	0	0	0	2
Airport Leasing Specialist IV	1	0	0	0	1
Airport Manager Anch	1	0	0	0	1
AK Intl Airport Sys Plnr	1	0	0	0	1
Analyst/Programmer IV	1	0	0	0	1
Asst Commissioner	1	0	0	0	1
Communications Coordinator	1	0	0	0	1
Data Processing Mgr I	1	0	0	0	1
Database Specialist II	1	0	0	0	1
Dev Spec II, Option A	1	0	0	0	1
Dir Tsia Termnl Redev & Const	1	0	0	0	1
Drafting Technician III	1	0	0	0	1
Engineer/Architect II	2	0	0	0	2
Engineer/Architect III	1	0	0	0	1
Engineer/Architect IV	1	0	0	0	1
Engineering Assistant III	2	0	0	0	2
Environ Impact Analyst III	1	0	0	0	1
Environ Program Manager I	1	0	0	0	1
Environ Program Spec I	1	0	0	0	1
Environ Program Spec III	2	0	0	0	2
Micro/Network Spec I	2	0	0	0	2
Micro/Network Tech II	2	0	0	0	2
Planner II	1	0	0	0	1
Planner III	2	0	0	0	2
Procurement Spec I	1	0	0	0	1
Project Manager	1	0	0	0	1
Right of Way Agent V	1	0	0	0	1
Trans Planner II	1	0	0	0	1
<b>Totals</b>	<b>52</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52</b>

